

15 FAM 500 REAL PROPERTY DISPOSITION ABROAD

15 FAM 510 SCOPE AND GENERAL POLICY

(CT:OBO-6; 04-11-2006)
(Office of Origin: OBO)

15 FAM 511 AUTHORITY AND SCOPE

15 FAM 511.1 Authority

(CT:OBO-6; 04-11-2006)
(Uniform State/USAID/Commerce/Agriculture/DIA)

The Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 300), and *Section 585 of the Foreign Operations, Export Financing and Related Programs Appropriations Act, 1991 (22 U.S.C. 2396a)*.

15 FAM 511.2 Scope

(CT:OBO-6; 04-11-2006)
(Uniform State/USAID/Commerce/Agriculture/DIA)

This subchapter applies to the disposition of U.S. Government-owned (GO), long-term leased (LTL), and trust fund properties abroad, the funding of expenses, and the disposition of proceeds. *The U.S. Government may dispose of* most properties by sale, exchange, lease, or license. *For* USAID properties *disposal* may also *be* by transfer for cash, credit, or other property, with or without warranty, or for foreign currencies, credits, or substantial benefits or the discharge of claims resulting from the compromise or settlement of such claims. *15 FAM 530 contains* detailed procedures *for implementing* these regulations are found in 15 FAM 515. Questions or comments on these regulations. *Please direct any questions on these regulations* to the Real Estate Office in the Bureau of Overseas Buildings Operations (*OBO/RE*) for State or *to* the Overseas Management *Staff* in the Bureau for Management (M/OMS), for USAID.

15 FAM 512 POLICY

15 FAM 512.1 General

(CT:OBO-6; 04-11-2006)

(Uniform State/USAID/Commerce/Agriculture/DIA)

Posts should review U.S. Government-owned/long-term leased (GO/LTL) properties periodically to identify those *excess* to requirements, not fully utilized, or uneconomical to retain (see 15 FAM Exhibit 512.1). *Posts* should report *such properties* to the Real Estate *Office's Acquisitions and Disposals Division*, Overseas Buildings Operations (*OBO/RE/AQD*) or the Overseas Management *Staff* in the Bureau for Management, USAID/Washington (USAID/W - M/OMS), and *its* regional bureau, and submit recommendations for disposition. *Posts must obtain approval from Washington* before taking any action that could result in disposition. *Once granted* approval, *posts* must coordinate with *OBO/RE* or USAID/W (M/OMS) to retain legal counsel, select a disposal method, and complete the transaction. The Department *generally must* dispose of properties *at* fair-market value.

15 FAM 512.2 Retaining Professional and Technical Services

(CT:OBO-6; 04-11-2006)

(Uniform State/USAID/Commerce/Agriculture/DIA)

All real property disposition actions abroad require the use of local legal counsel. The services of other professionals such as real estate brokers may also be necessary. Post must obtain prior approval before making commitments or incurring financial obligations *for such services* (see 15 FAM 420 for details).

15 FAM 512.3 Funding of Expenses

(CT:OBO-6; 04-11-2006)

(Uniform State/USAID/Commerce/Agriculture/DIA)

- a. **Department of State:** Posts must request approval and funding from the *Real Estate Acquisitions and Disposals* Division in the *Real Estate* Office of Overseas Buildings Operations (*OBO/RE/AQD*) for sale, exchange, lease, or license expenses such as fees for agents or brokers, surveys, advertising, legal services, appraisals, and closing costs.
- b. **USAID:** Missions must request approval from *Overseas Management Staff in the Bureau for Management*, USAID/Washington (USAID/W - M/OMS) of expenses arising from a sale, exchange, or lease.

15 FAM 512.4 Documentation and Records

(CT:OBO-6; 04-11-2006)

(Uniform State/USAID/Commerce/Agriculture/DIA)

The U.S. Government must maintain documentation and records relating to property disposal as provided in 15 FAM 450. Posts are responsible for maintaining all documents and records and for providing real property disposition documents and information to OBO and other bureaus (e.g., RM, and L) or USAID/W (M/OMS) that support financial or other processes related to dispositions.

15 FAM 513 THROUGH 519 UNASSIGNED

15 FAM EXHIBIT 512.1

GUIDELINES FOR THE EVALUATION OF REAL PROPERTIES

(CT:OBO-6; 04-11-2006)

When reviewing property, posts should consider the following:

- (1) Is the property wholly or partly *excess* to needs? If so, could *you sell, license, lease, or exchange it* for more useful property?
- (2) Is the property uneconomical to retain? If so, could *you sell or exchange it* for a more suitable property with lower maintenance and operating costs, at a price roughly equivalent to the value of the present property? Or, could *you lease or license it* and *acquire* other property to meet post needs?
- (3) Is the property being put to optimum use?
- (4) *Do you use* the property only irregularly for program uses? Would a portion of the property satisfy program needs?
- (5) Have local conditions changed significantly since *you acquired* the property, thereby affecting the surrounding neighborhood, transportation facilities, convenience to users, zoning, and other environmental factors, including local development plans?
- (6) *Can you justify* continued U.S. Government ownership of the property in light of its current use?
- (7) Are operating and maintenance costs excessive?
- (8) Is the property functionally obsolete or has it physically deteriorated beyond economical repair?
- (9) Will program changes alter post property requirements?
- (10) If *you release* a portion of the property, will the remaining portion still comply with zoning requirements?
- (11) Considering property prices or rentals, *moving* costs, preparation of the new space, occupancy costs, and *increased operational* efficiency, can the U.S. Government *realize net savings* by *relocating*?
- (12) *Are you retaining* a portion of any property primarily because the present boundaries are marked by the existence of fences, hedges, roads, or utilities?
- (13) *Are you retaining* land only because it is landlocked?

- (14) Is there land that *you* can *make* available for use by others, within or outside the U.S. Government, on a temporary lease or license basis?
- (15) Are there security, political, or public relations considerations that outweigh the foregoing?
- (16) What effect does the availability of alternative facilities, if required, have on the foregoing?
- (17) Are there any restrictions on the *use of* expatriation of proceeds of sale under local law?